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Attorneys for the United States

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF OREGON
PORTLAND DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

JOHN M. AND JANET D. PAQUETTE,

Defendants.

Case No.

**COMPLAINT TO REDUCE TAX
ASSESSMENTS TO JUDGMENT**

1. By this timely suit, the United States seeks to reduce federal tax liabilities assessed against John M. Paquette and Janet D. Paquette (the “Paquettes”) to judgment.

Authorization for the Suit

2. Pursuant to 26 U.S.C. § 7401, this action is filed with the authorization, and at the request, of the Secretary of the Treasury of the United States, acting through his delegate, the Associate Area Counsel of the Internal Revenue Service.

3. This action is filed at the direction of the Attorney General of the United States or his delegate. 26 U.S.C. § 7401.

Jurisdiction and Venue

4. This Court has jurisdiction over this matter under 28 U.S.C. §§ 1340 and 1345 and 26 U.S.C. § 7402(a).

5. Venue is proper in the District of Oregon under 28 U.S.C. §§ 1391(b) and 1396 because the District is where the tax liabilities accrued and where the Paquettes reside.

Defendants John M. and Janet D. Paquette's Federal Tax Liabilities

6. The Paquettes reside in Yamhill County, Oregon.

7. The Paquettes are currently married with no dependents.

8. The Paquettes reside at their principal residence located at 22955 NE North Valley Road, Newberg Oregon, which sits on 25.56 acres and has a county's assessed value of \$706,736.00.

9. The Paquettes owe income tax liabilities for taxable years 2009 through 2013.

10. On the dates, in the amounts, and for the tax periods listed below, a duly authorized delegate of the Secretary of Treasury made timely assessments against John M. and Janet D. Paquette for unpaid federal income taxes, penalties and interest as follows:

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Period	Assessment Date	Assessment Amount	Balance as of July 31, 2020
2009	5/31/2010 " " " 6/17/2013 8/18/2014 " 11/13/2017 8/19/2019	Income Tax: \$82,322.00 Penalty for not pre-paying tax: \$1,971.00 ¹ Penalty for late payment of tax: \$823.21 ² Interest: \$416.01 Reduced or removed prior tax assessed: -\$12,004.00 Interest: \$10,698.00 Penalty for late payment of tax: \$16,660.87 Interest: \$10,843.66 Interest: \$8,692.15	\$97,438.21
2010	12/15/2014 " " " " 11/13/2017 " 2/25/2019	Income Tax: \$104,318.00 Penalty for not pre-paying tax: \$2,157.79 Penalty for filing return after due date: \$23,471.55 Penalty for late payment of tax: \$22,949.96 Interest: \$15,012.35 Interest: \$18,321.62 Penalty for late payment of tax: \$3,129.54 Interest: \$17,706.77	\$217,130.05
2011	11/26/2012 " " 10/14/2013 3/24/2014 8/18/2014 " 11/13/2017 " 8/19/2019	Income Tax: \$95,535.00 Penalty for late payment of tax: \$3,821.40 Interest: \$1,778.19 Fees and collection costs: \$10.00 Additional tax assessed: \$3,586.00 Interest: \$5,634.82 Penalty for late payment of tax: \$9,165.47 Interest: \$14,345.73 Penalty for late payment of tax: \$11,793.38 Interest: \$13,621.33	\$167,032.10
2012	2/24/2014 " " " 8/18/2014 " 4/13/2015 11/13/2017 " 8/19/2019	Income Tax: \$99,744.47 Penalty for not pre-paying tax: \$1,518.01 Penalty for late payment of tax: \$4,110.95 Interest: \$1,960.35 Interest: \$1,192.76 Penalty for late payment of tax: \$4,110.94 Fees and collection costs: \$40.00 Interest: \$10,521.90 Penalty for late payment of tax: \$10,464.23 Interest: \$10,160.92	\$124,598.82
2013	11/24/2014 " "	Income Tax: \$75,320.00 Penalty for not pre-paying tax: \$1,352.52 Penalty for late payment of tax: \$3,012.80	

¹ See 26 U.S.C. § 6654(a), (d).

² See 26 U.S.C. § 6651(a)(1), (2).

	"	Interest: \$1,393.19	
	11/13/2017	Interest: \$9,002.32	
	"	Penalty for late payment of tax: \$15,817.20	
	8/19/2019	Interest: \$9,902.32	\$121,427.68
TOTAL: \$727,626.86			

11. All assessments of income tax described in Paragraph 10, above, were based on joint income tax returns the Paquettes filed, except for \$3,586.00 in additional tax for 2011, which was assessed on 3/24/2014 pursuant to deficiency procedures under 26 U.S.C. §§ 6212 and 6213.

12. The Paquettes entered into two installment agreements concerning the liabilities for tax year 2009 and into one installment agreement concerning tax year 2011, which installment agreements were later terminated.

13. Typically, the IRS has ten years from assessment to collect on a tax liability. 26 U.S.C. § 6502(a)(1). The terminated installment agreements referenced in paragraph 12, above, tolled that limitations period by at least 60 days for the 2009 tax year and 30 days for the 2011 tax year. 26 U.S.C. §§ 6331(k) and (i)(5).

14. As required by 26 U.S.C. § 6303, timely notice was given to the Paquettes, stating the amount due and demanding payment of the assessments described in Paragraph 10, above.

15. Pursuant to 26 U.S.C. §§ 6321 and 6322, statutory liens for unpaid federal taxes arose in favor of the United States on the dates of the assessments set forth in Paragraph 10, above, and attached to all property and rights to property belonging to the Paquettes.

16. Pursuant to 26 U.S.C. § 6323, the IRS recorded notices of federal tax lien for the liabilities described in Paragraph 10 in Yamhill County.

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Count 1: Reduce to Judgment Unpaid Federal Income Tax Assessments Made Against John M. and Janet D. Paquette

17. The United States incorporates by reference the allegations made in Paragraphs 1 through 16, above.

18. Despite proper notice and demand for payment of the tax liabilities described in Paragraph 10, the Paquettes have neglected, failed, or refused to make full payment of the assessed amounts to the United States, and there remains due and owing on said assessments the sum of **\$727,626.86** as calculated through July 31, 2020, plus interest and statutory additions that continue to accrue from that date. Accordingly, the United States is entitled to judgment in its favor that John M. and Janet D. Paquette are jointly and severally liable for the full amount owed.

PRAYER FOR RELIEF

WHEREFORE, the United States respectfully requests the following relief:

- A. Judgment in favor of the United States that John M. and Janet D. Paquette are jointly and severally liable for the unpaid federal income tax liabilities for the 2009, 2010, 2011, 2012, and 2013 tax years, in the total amount of \$727,626.86, as of July 31, 2020, plus any additional interest or statutory additions as provided by law and less any payments or credits;
- B. Judgment that, pursuant to 26 U.S.C. §§ 6321 and 6322, the United States has valid and subsisting federal tax liens on all property and rights to property belonging to the Paquettes, whether real or personal, wherever located, and whether presently held or hereinafter acquired; and

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C. That the United States shall be granted its costs and any other and further relief as is just and proper.

Respectfully submitted on July 16, 2020.

RICHARD E. ZUCKERMAN
Principal Deputy Assistant Attorney General

/s/ Boris Kukso
BORIS KUKSO, CSB # 268613
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Attorneys for the United States

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

United States of America

(b) County of Residence of First Listed Plaintiff _____
(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)
Boris Kukso, U.S. Department of Justice, Tax Division
P.O. Box 683, Washington, D.C. 20044
(202) 353-1857 boris.kukso@usdoj.gov

DEFENDANTS

John M. and Janet D. Paquette

County of Residence of First Listed Defendant Yamhill County
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF
THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- ☒ 1 U.S. Government Plaintiff
- ☐ 2 U.S. Government Defendant
- ☐ 3 Federal Question
(U.S. Government Not a Party)
- ☐ 4 Diversity
(Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- | | PTF | DEF | | PTF | DEF |
|---|----------------------------|----------------------------|---|----------------------------|----------------------------|
| Citizen of This State | <input type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated or Principal Place of Business In This State | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Incorporated and Principal Place of Business In Another State | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

IV. NATURE OF SUIT (Place an "X" in One Box Only)Click here for: [Nature of Suit Code Descriptions.](#)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES	
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice	<input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Management Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Employee Retirement Income Security Act IMMIGRATION <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 835 Patent - Abbreviated New Drug Application <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input checked="" type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit (15 USC 1681 or 1692) <input type="checkbox"/> 485 Telephone Consumer Protection Act <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education	PRISONER PETITIONS Habeas Corpus: <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty Other: <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement			

V. ORIGIN (Place an "X" in One Box Only)

- ☒ 1 Original Proceeding
- ☐ 2 Removed from State Court
- ☐ 3 Remanded from Appellate Court
- ☐ 4 Reinstated or Reopened
- ☐ 5 Transferred from Another District (specify)
- ☐ 6 Multidistrict Litigation - Transfer
- ☐ 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
26 U.S.C. § 7401

Brief description of cause:

Reduce to judgment unpaid federal income tax assessments

VII. REQUESTED IN COMPLAINT:

☐ CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.

DEMAND \$
727,626.86

CHECK YES only if demanded in complaint:
JURY DEMAND: ☐ Yes ☒ No

VIII. RELATED CASE(S) IF ANY

(See instructions):

JUDGE _____

DOCKET NUMBER _____

DATE

07/16/2020

SIGNATURE OF ATTORNEY OF RECORD

/s/ Boris Kukso

FOR OFFICE USE ONLY

RECEIPT # _____

AMOUNT _____

APPLYING IFP _____

JUDGE _____

MAG. JUDGE _____

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44

Authority For Civil Cover Sheet

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- I.(a) Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
 - (b) County of Residence.** For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)
 - (c) Attorneys.** Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".
- II. Jurisdiction.** The basis of jurisdiction is set forth under Rule 8(a), F.R.Cv.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.
- United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here.
- United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.
- Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.
- Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; **NOTE: federal question actions take precedence over diversity cases.**)
- III. Residence (citizenship) of Principal Parties.** This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- IV. Nature of Suit.** Place an "X" in the appropriate box. If there are multiple nature of suit codes associated with the case, pick the nature of suit code that is most applicable. Click here for: [Nature of Suit Code Descriptions](#).
- V. Origin.** Place an "X" in one of the seven boxes.
- Original Proceedings. (1) Cases which originate in the United States district courts.
- Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441.
- Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.
- Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.
- Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.
- Multidistrict Litigation – Transfer. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407.
- Multidistrict Litigation – Direct File. (8) Check this box when a multidistrict case is filed in the same district as the Master MDL docket.
- PLEASE NOTE THAT THERE IS NOT AN ORIGIN CODE 7.** Origin Code 7 was used for historical records and is no longer relevant due to changes in statute.
- VI. Cause of Action.** Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC 553 Brief Description: Unauthorized reception of cable service
- VII. Requested in Complaint.** Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.
- Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction.
- Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.
- VIII. Related Cases.** This section of the JS 44 is used to reference related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.

Date and Attorney Signature. Date and sign the civil cover sheet.

UNITED STATES DISTRICT COURT

for the

District of Oregon

UNITED STATES OF AMERICA

Plaintiff(s)

v.

JOHN M. AND JANET D. PAQUETTE

Defendant(s)

Civil Action No.

SUMMONS IN A CIVIL ACTION

To: *(Defendant's name and address)* John M. and Janet D. Paquette
 22955 NE North Valley Road
 Newberg, OR 97132

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are:

Boris Kukso
 U.S. Department of Justice, Tax Division
 P.O. Box 683
 Washington, DC 20044
 tel: 202-353-1857
 boris.kukso@usdoj.gov

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

Date: _____

Signature of Clerk or Deputy Clerk

Civil Action No. _____

PROOF OF SERVICE*(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))*

This summons for *(name of individual and title, if any)* _____
 was received by me on *(date)* _____.

☐ I personally served the summons on the individual at *(place)* _____
 _____ on *(date)* _____; or

☐ I left the summons at the individual's residence or usual place of abode with *(name)* _____
 _____, a person of suitable age and discretion who resides there,
 on *(date)* _____, and mailed a copy to the individual's last known address; or

☐ I served the summons on *(name of individual)* _____, who is
 designated by law to accept service of process on behalf of *(name of organization)* _____
 _____ on *(date)* _____; or

☐ I returned the summons unexecuted because _____; or

☐ Other *(specify)*:

My fees are \$ _____ for travel and \$ _____ for services, for a total of \$ _____ 0.00.

I declare under penalty of perjury that this information is true.

Date: _____

Server's signature

Printed name and title

Server's address

Additional information regarding attempted service, etc: